



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James Gardner
Vice Chairman

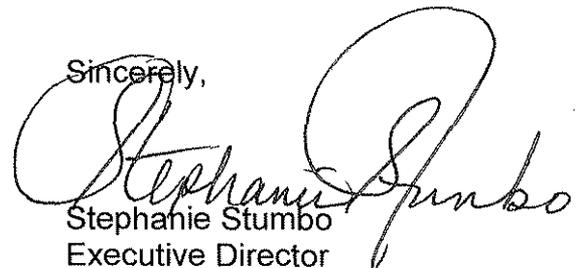
John W. Clay
Commissioner

August 25, 2008

PARTIES OF RECORD:
Case No. 2008-00250
Frankfort Electric and Water Plant Board

Attached is a copy of the informal conference memorandum which is being filed in the record of the above-referenced case. If you wish to make any comments regarding the contents of the memorandum, please do so within five days of receipt of this letter. If you have any questions regarding the memorandum, please contact Todd Osterloh at 502/564-3940, Extension 439.

Sincerely,


Stephanie Stumbo
Executive Director

MTO:v

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2008-00250
FROM: Todd Osterloh, Staff Attorney ^{MTD}
DATE: August 22, 2008
RE: Conference of August 21, 2008

On August 21, 2008, the Commission held a conference in this case in the Commission's offices in Frankfort, Kentucky. Present were:

Jack Hughes	-	Frankfort Electric and Water Plant Board
Hance Price	-	Frankfort Electric and Water Plant Board
Warner Caines	-	Frankfort Electric and Water Plant Board
Herbbie Bannister	-	Frankfort Electric and Water Plant Board
Shannon Taylor	-	Frankfort Electric and Water Plant Board
Don Prather	-	North Shelby Water Company U.S. 60 Water District
Sandy Broughman	-	North Shelby Water Company Elkhorn Water District
Mark Frost	-	Commission Staff
Jason Green	-	Commission Staff
Sam Reid	-	Commission Staff
Todd Osterloh	-	Commission Staff

Commission Staff requested this meeting to discuss Intervenors' objections to the Frankfort Electric and Water Plant Board's ("Plant Board") proposed wholesale rate increase and to establish a procedural schedule. Thomas Marshall, attorney for Peaks Mill Water District and Elkhorn Water District, could not attend the meeting due to a death in his family, but he did not object to the other parties holding the meeting in his absence.

Beginning the conference, Mr. Osterloh stated that Commission Staff would prepare minutes of the conference for the case record, that a copy of these minutes would be provided to all parties, and that all parties would be given an opportunity to submit written comments upon those minutes.

Mr. Prather and Mr. Broughman identified some questions derived from the Plant Board's response to the Commission's information request issued in conjunction with its July 2, 2008 Order. Plant Board personnel responded to some of the questions during the meeting and offered to respond to the remaining questions at a later time.

Case File No. 2008-00250
August 22, 2008
Page 2

After discussing some of the questions posed, Commission Staff suggested that the Intervenors and Commission Staff submit written data requests by September 5, 2008 and that the Plant Board would respond by September 19, 2008. After the Intervenors have an opportunity to review the Plant Board's responses, the parties may wish to meet, with or without Commission Staff, to determine whether there are more objections by the Intervenors or whether the parties can come to an agreement.

The parties in attendance were agreeable to this plan. Commission Staff stated that the Commission would enter an Order outlining the abbreviated procedural schedule. Future proceedings would be determined at a later date.

The conference then adjourned.

cc: Parties of Record

Honorable Thomas A. Marshall
Attorney At Law
212 Washington Street
P.O. Box 223
Frankfort, KY 40601

Honorable Donald T. Prather
Attorney At Law
Mathis, Riggs & Prather, P.S.C.
Attorneys at Law
P. O. Box 1059
500 Main Street, Suite 5
Shelbyville, KY 40066-1059

Honorable Hance Price
Attorney at Law
Frankfort Electric & Water Plant
Board
317 W. Second Street
P. O. Box 308
Frankfort, KY 40602